

Benefits . . .

Total Benefits

Benefit Report Data

Settlement Dollars

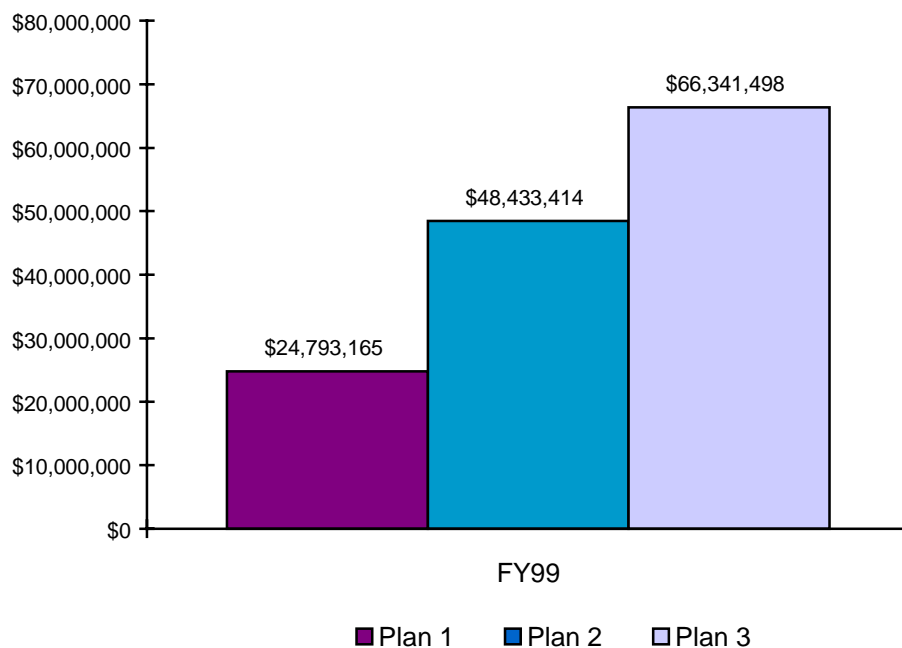
Settlement Attorney Fees

Rehabilitation

Total Benefits

Benefit totals have been updated since the publication of previous annual reports due to the receipt of amended expenditures reports.

**Distribution of Benefits Paid
By Plan Type - FY99**



**Distribution of Benefits Paid
By Fiscal Year**

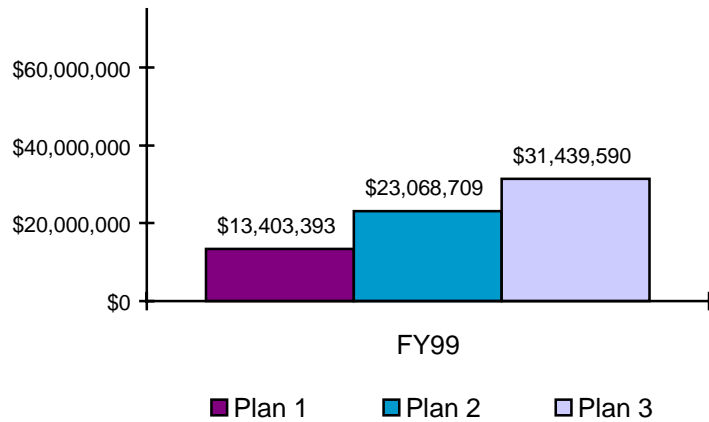
	FY96	FY97	FY98	FY99
Plan 1	\$22,044,566	\$22,198,949	\$22,318,282	\$24,793,165*
Plan 2	\$33,268,989	\$35,954,463	\$42,301,098	\$48,433,414*
Plan 3	\$92,775,219	\$73,036,463	\$70,713,511	\$66,341,498
Total	\$148,088,774	\$131,189,875	\$135,332,891	\$139,568,077

Note: Total benefits represent indemnity and medical.

* Filed as of 4-11-2000.



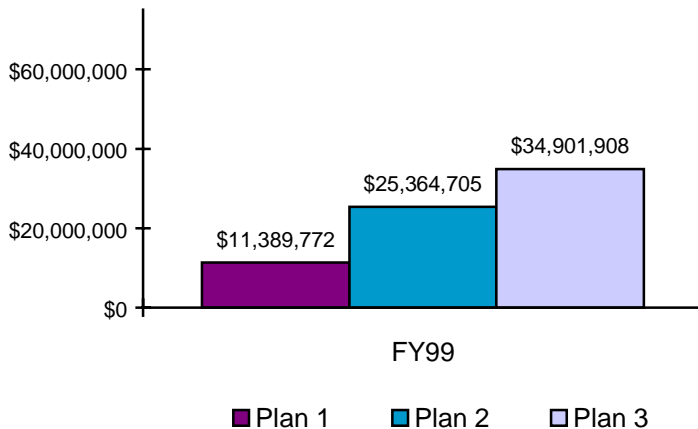
**Distribution of Medical Payments
by Plan Type - FY99**



**Distribution of Medical Payments
By Fiscal Year**

	FY96	FY97	FY98	FY99
Plan 1	\$9,994,676	\$10,756,156	\$11,828,831	\$13,403,393
Plan 2	\$15,995,298	\$17,063,821	\$19,751,482	\$23,068,709
Plan 3	\$36,617,000	\$29,342,000	\$32,161,374	\$31,439,590
Total	\$62,606,974	\$57,161,977	\$63,741,688	\$67,911,692

**Distribution of Indemnity Payments
by Plan Type - FY99**



**Distribution of Indemnity Payments
By Fiscal Year**

	FY96	FY97	FY98	FY99
Plan 1	\$12,049,890	\$11,439,793	\$10,489,451	\$11,389,772
Plan 2	\$17,273,691	\$18,890,642	\$22,549,616	\$25,364,705
Plan 3	\$56,158,219	\$43,694,463	\$38,552,137	\$34,901,908
Total	\$85,481,800	\$74,024,898	\$71,591,204	\$71,656,385

Benefit Report Data

Temporary Partial Disability (TPD)

Workers are eligible for TPD benefits when:

- prior to maximum medical improvement, they are temporarily unable to return to time of injury position; and
- they return to work in modified or alternative position; and
- they suffer a wage loss; and
- they have been released by their treating physician to return to a modified or an alternative position with the same employer.

All Plans	FY96	FY97	FY98	FY99
Average indemnity payment	\$1,769	\$5,693	\$765	\$467
Average duration of benefits paid in weeks	9	8	6	4
Average duration in days from injury to benefit start date	156	122	115	77
Average duration in days between injury date & release/return to work	221	179	137	99

TPD Benefits

- TPD benefits are the difference between the injured worker's actual weekly wage and the actual weekly wage earned during the injured worker's temporary partial disability.

Length of TPD Benefits

- 26 weeks (The insurer, however, may extend the benefit period).

Temporary Total Disability (TTD)

A worker is eligible for TTD benefits:

- when the injured worker misses 6 lost work shifts or 48 hours, whichever occurs first; and
- the injury results in a total loss of wages and exists until the injured worker reaches maximum medical improvement; or
- until the worker is released to employment in which the worker was engaged at the time of injury or to employment with similar physical restrictions.

All Plans	FY96	FY97	FY98	FY99
Average indemnity payment	\$6,011	\$3,349	\$1,624	\$913
Average duration of benefits paid in weeks	17	13	8	3
Average duration in days from injury to benefit start date	111	70	57	43
Average duration in days between injury date & release/return to work	231	129	108	83

TTD Benefits

- TTD benefits are 66 2/3% of the wages received at the time of injury, not to exceed the state's average weekly wage at the time of injury.

Length of Benefits

- until the worker reaches maximum medical improvement or is released to return to work.

Permanent Partial Disability (PPD)

Workers are eligible for PPD benefits:

- if they suffer permanent partial disability and are no longer temporarily totally disabled or permanently totally disabled; and
- they have a physical condition that impairs the workers' ability to work after workers reach maximum medical improvement but are able to return to work in some capacity; and
- have a permanent impairment, greater than zero, established by objective medical finding; and
- have an actual wage loss.

All Plans	FY96	FY97	FY98	FY99
Average indemnity payment	\$6,812	\$9,042	\$4,850	\$2,597
Average duration of benefits paid in weeks	17	16	13	5
Average duration in days from injury to benefit start date	479	377	340	238
Average duration in days between injury date & release/return to work	260	246	172	155

PPD Benefits

- PPD benefits are 66 2/3% of the wages received at the time of injury, not to exceed 1/2 the state's average weekly wage at the time of injury.

Length of Benefits

- Maximum of 350 weeks.

Permanent Total Disability (PTD)

There is not sufficient information available about Permanent Total Disability payments to allow statistically significant summary reporting.

Workers are eligible for PTD benefits:

- if they possess a physical condition, after they reach maximum medical improvement, in which they do not have a reasonable prospect of physically performing regular employment; and
- if injured workers are no longer temporarily totally disabled and are permanently totally disabled.

PTD Benefits

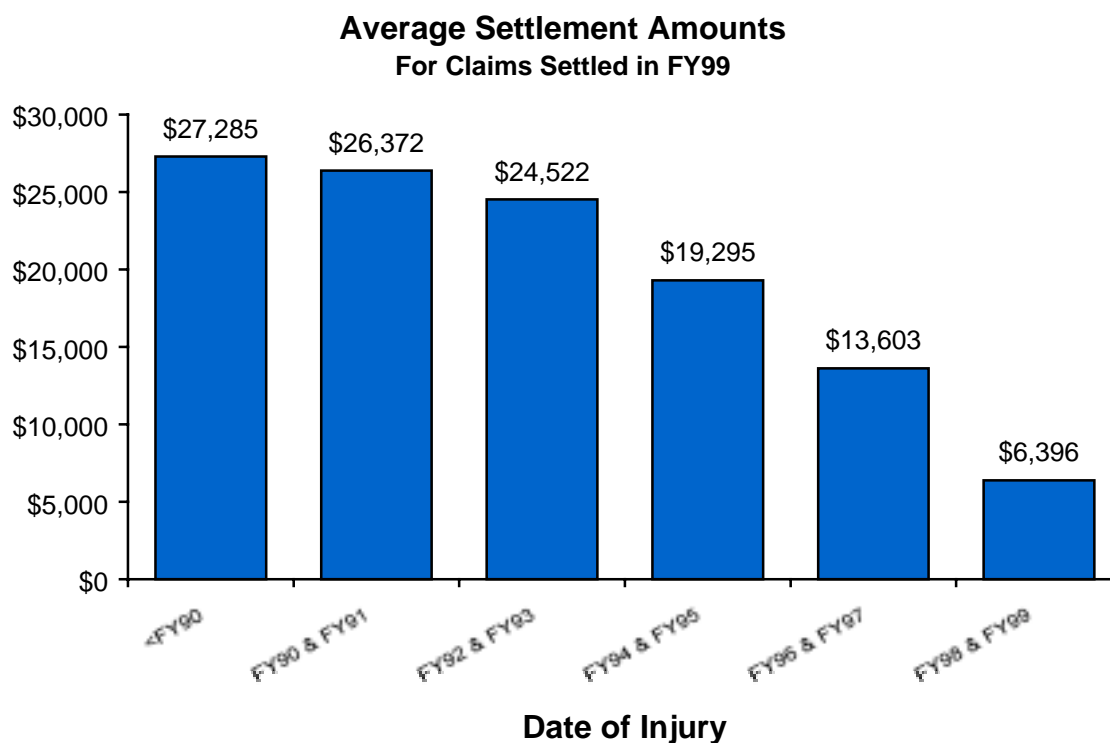
- An injured worker may receive 66 2/3% of the wages received at the time of injury, not to exceed the state's average weekly wage at the time of injury. The injured worker may receive a maximum of 10 cost of living increases.

Length of Benefits

- Until the injured worker receives, or is eligible to receive, full social security retirement benefits.

Settlement Dollars

A settlement is a lump sum payment of the claimant's workers' compensation benefits. Benefits are usually paid out in periodic payments that are designed to sustain an injured worker over an extended period of time. Settlements can occur when the claimant and the insurer agree that benefits will be converted to a lump sum payment. Settlements are subject to approval by the Department of Labor and Industry.



- The above graph displays average settlement amounts for claims that were settled in Fiscal Year 1999, but have dates of injury in Fiscal Year 1999 and earlier.

**Average Settlement Amounts
For Claims Settled in FY99 - By Plan**

Injury Date	<FY90	FY91 & 92	FY92 & 93	FY94 & 95	FY96 & 97	FY98 & 99	Plan Average
Plan 1	\$30,922	\$22,688	\$35,051	\$15,555	\$13,784	\$7,761	\$17,024
Plan 2	\$26,036	\$27,882	\$21,580	\$18,937	\$12,941	\$4,846	\$14,775
Plan 3	\$35,801	\$15,119	\$20,969	\$21,725	\$13,760	\$8,153	\$16,520
NOC	\$23,252	\$29,932	\$24,119	\$19,913	\$14,951	\$9,294	\$18,664
All Plans Average	\$27,285	\$26,372	\$24,522	\$19,295	\$13,603	\$6,396	\$16,275

Notes:

NOC means Not Otherwise Classified.

Settlement Attorney Fees

The Employment Relations Division collects workers' compensation legal expense data on attorney fees claimed for approved settlements. The data collected are used to ensure fees the attorneys charge do not exceed the maximum amounts allowed by law. Not included are legal costs accumulated in defense of a claim, pro-bono work, court awarded fees, fees taken from bi-weekly compensation payments prior to settlement, fees related to uninsured employer claims, benefit advances, or fees related to disputed medical payments.

Distribution of Settlement Attorney Fees By Fiscal Year

	FY96	FY97	FY98	FY99
Number of Settlement Petitions Processed	2,100	1,551	1,342	1,486
Claims Settled with Attorney Representation	1,086	832	761	764
Percent Claimants Represented by Attorney	52%	54%	57%	51%
Total Settlement Amount With Attorney Involvement	\$27,358,376	\$20,201,459	\$15,239,197	\$15,054,101
Total Attorney Fees	\$4,835,021	\$3,442,810	\$2,538,738	\$2,515,358
Percent Fees to Settlements	17.7%	17.0%	16.7%	16.7%

- Similar to reports issued in previous years, there is a small percentage of records for which no attorney fees were listed due to both entry errors and reporting limitations.
- The information provided reflects settlements only and does not include advances, fees associated with biweekly compensation benefits, disputed medical benefits, court awarded fees, or amounts from lump sum payments not resulting in settlements.
- Total net settlement amounts included in the list are approximations. The settlement amounts do not include annuities.

Attorney Representation as a Percent of Reported Claims By Fiscal Year

	FY96	FY97	FY98	FY99
Total Number of Claims	32,752	33,774	31,876	31,268
Claims with Representation	3.6%	3.2%	3.1%	2.8%
Claims without Representation	96.4%	96.8%	96.9%	97.2%
Approved Attorney Fee Agreements	1,195	1,080	989	874

Rehabilitation

The best possible outcome after an injury is for the injured worker to return to work. Sometimes a disabled worker needs help to become employable again. The expense of rehabilitation pays off when the worker becomes as productive and self-sufficient as possible.

Rehabilitation benefits are paid bi-weekly while completing the rehabilitation plan. Benefits are $66 \frac{2}{3}$ of wages received at the time of the injury, not to exceed the state average weekly wage, for up to 104 weeks. A disabled worker may also receive payment for tuition, fees, books and other reasonable and necessary retraining expenses.

The worker's rehabilitation plan must be started within 78 weeks of reaching maximum medical healing, must be completed within 26 weeks of the completion date specified in the plan, and may not exceed 104 weeks. In addition, the insurer may pay auxiliary benefits up to \$4,000 for reasonable travel and relocation expenses.

Rehabilitation benefits are provided to claimants under certain circumstances. For disabled workers to qualify for these benefits, they must have a permanent impairment established by objective medical findings, resulting from a work related injury, that precludes them from returning to their time-of-injury job or a job with similar physical requirements and also have an actual wage loss; or they must have at least 15% medical impairment established by objective medical findings and no wage loss. The injured worker must have reasonable vocational goals and re-employment opportunities that will likely reduce the wage loss, and have a rehabilitation plan agreed upon with the insurer.

Industrial Accident Rehabilitation Trust Fund

For injuries occurring on or before June 30, 1997, disabled workers may be paid vocational rehabilitation expenses from funds in the industrial accident rehabilitation account. This is a state special revenue fund. Payments to the account are made each year from an assessment to each Plan 1 employer, Plan 2 insurers, and the Plan 3 (State Fund), not exceeding 1% of compensation paid to injured employees in Montana during the preceding fiscal year.

The administration of the fund moved from the Department of Public Health and Human Service to the Department of Labor and Industry on July 1, 1997. The fund is currently providing rehabilitation services to 135 injured employees.

Rehabilitation Trust Fund Use

(Injuries occurring on/before 6/30/97)

Plan Type	FY99
Plan 1	\$52,865
Plan 2	\$46,634
Plan 3	\$230,178
Total	\$329,677

- At the time of this report, Plan 1 had 20 injured workers receiving trust fund monies; Plan 2 had 26 injured workers; and Plan 3 had 89.